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71-3188

6 AUG 1971

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Exception to Proposed Classification Act

1. This memorandum submits two recommendations for your approval. These recommendations are contained in paragraph 4.

2. The attached study provides information concerning legislation which the United States Civil Service Commission is preparing in accordance with the provisions of Public Law 91-216 enacted in March 1970. The law established a Job Evaluation and Pay Review Task Force to improve classification systems within the Executive Branch. The Task Force will soon complete its preliminary work and will begin preparing legislation to be submitted to the President for review in December 1971.

3. This Agency is currently exempt from the provisions of the Classification Act of 1949 although we follow its job evaluation system and pay schedules. The attached study concludes that it would be in the best interests of the Agency to request exemption from the proposed new classification act. There are no provisions yet established by the Task Force for any agency of the Executive Branch to be excluded.

4. The following recommendations are made:

a. It is recommended that the Office of Legislative Counsel, the Office of General Counsel and the Office of Personnel coordinate in the preparation of a letter to be sent to the Chairman, Civil Service Commission requesting total exemption and assuring the Commission that we intend to follow the evaluation systems and structure as we have the Classification Act of 1949.

b. It is further recommended that, failing total exemption, we then propose to the Commission that the Agency be excluded from Commission approval of benchmark positions, post-audit review by the Commission, and employee appeal provisions.

/s/Harry B. Fisher

Harry B. Fisher
Director of Personnel

Att

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GROUP 1
Excluded from automatic
downgrading and
declassification

SUBJECT: Exception to Proposed Classification Act

CONCUR:

(S) for
John M. Phary
Legislative Counsel

Date

John S. Warner
Lawrence R. Houston
General Counsel

11 AUG 71

Date

John W. Coffey
Deputy Director
for Support

Date

The recommendations contained in paragraph 4 are approved.

See note on routing sheet
L. K. White
Executive Director-Comptroller

Date

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OD/Pers pjg (6 Aug 71)

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RECOMMENDED AGENCY POSTURE TO NEW JOB EVALUATION LEGISLATION

BACKGROUND

The Central Intelligence Agency was exempted from the Classification Act of 1923 by the Civil Service Commissioners in August 1949. The Director of Central Intelligence had initiated this request for clarification of the Agency's status under the new and broader authorities in Public Law 110. (Letter to Mr. Ismar Baruch, CSC, from Rear Admiral Hillenkoetter, DCI, dated 30 June 1949.) In turn the Commission administratively determined that under Sections 7 and 10b of PL 110 the CIA was not required as a matter of law to follow the Classification Act. (Letter to Admiral Hillenkoetter from Mr. Baruch dated 8 August 1949.) Undoubtedly this decision was encouraged by the Civil Service Commission Classification Officer assigned to work with CIA personnel. During the 1946 - 1949 period the security restrictions imposed by the Agency made it almost impossible for the CSC representative to do his job. All operational data was deleted from the classification documents made available to the CSC representative. Position descriptions were almost void of any classification data and filled with such generalities as trainee level tasks, full professional level assignments, first line supervisor, etc. Further restrictions required that these position descriptions remain in CIA custody, thus inhibiting the CSC analytical review and comparison with other agencies' position classifications.

Following this decision, the DCI, Admiral Hillenkoetter, told the Commission that the Agency would follow the basic philosophy and principles of the Classification Act. (Letter to Mr. Baruch from Admiral Hillenkoetter dated 10 August 1949.) Later in 1949 when the Classification Act of 1949

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was passed, the specific exemption for the Central Intelligence Agency was written into the law.

In March 1970 Public Law 91-216 was enacted, establishing a Job Evaluation and Pay Review Task Force of the U. S. Civil Service Commission, to improve classification systems within the Executive Branch. Under this law the CSC was instructed to prepare a plan for a comprehensive coordinated system of job evaluation and ranking for civilian positions in the Executive Branch. Under this plan the CSC would have general supervision and control over the coordinated job evaluation and ranking system and conduct periodic reviews of the effectiveness of the system. The CSC, in addition to the evaluation plan, must develop recommended legislation to establish the new system for all the Executive Branch. The Agency is not excluded at this time.

COMPARISON OF AGENCY WITH CIVIL SERVICE

The basic difference between Civil Service and Agency classification procedures is the Agency practice of under- and overslotting. In the Civil Service, an employee receives the grade of the positions he encumbers. If he is assigned to a position of a higher grade, he is immediately promoted. People and positions always equate and the position structure controls the salary structure. With our practice of under- and overslotting, the Career Service Grade Authorization controls the salary structure. This device permits us more flexibility in our assignments and promotions than can be found in the classified service.

Another Agency difference is a deviation from the Civil Service standards. It is difficult to say how much deviation there is because the requirements of the standards are not precise and practice among the agencies

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usually seems more generous than the basic standard levels. When we compare our positions with the basic White Collar Survey (Bureau of Labor Statistics comparability study) benchmark positions it appears that we usually run one grade higher in the professional and administrative positions and one to four grades higher in the clerical positions.

Examples:

<u>BLS Survey</u>	<u>CIA Grade</u>
Accountant GS-11	GS-12
Attorney GS-12	GS-13
Chemist GS-13	GS-14
Engineer GS-13	GS-14
Accounting Clerk GS-04	GS-07
File Clerk GS-03	GS-04 or GS-05
Keypunch Operator GS-03	GS-04
Stenographer GS-04	GS-05 or GS-06
Switchboard Operator GS-03	GS-05
Tabulating Mach Oper GS-04	GS-05
Typist GS-03	GS-05

When we compare Agency positions with those in other agencies, however, this difference is not always apparent. For example, in the Metropolitan Washington Area, GS-13 is the most populous professional grade in agencies under CSC control. This would seem to indicate that GS-13 is the senior professional non-supervisory level. It is also the most populous professional grade in the Agency.

Following is a summary of professional positions in various agencies by percentage to total positions. Peak levels are underlined.

<u>Position Levels</u>	<u>Percentage of Positions</u>							
	<u>CIA</u>	<u>STATE*</u>	<u>AID</u>	<u>USIA</u>	<u>NASA</u>	<u>FAA</u>	<u>AEC</u>	<u>FBI</u>
GS-14	9%	9%	<u>17%</u>	13%	13%	7%	<u>14%</u>	3%
GS-13	<u>13%</u>	11%	<u>15%</u>	21%	<u>21%</u>	17%	<u>12%</u>	<u>18%</u>
GS-12	<u>13%</u>	8%	11%	12%	<u>12%</u>	16%	9%	<u>5%</u>
GS-11	11%	10%	9%	10%	10%	<u>22%</u>	6%	7%

*Equivalent FSO jobs

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In the case of the Foreign Service agencies - State, AID, USIA, these are not under CSC control. The GS-14 peak level for AID results from numerous short-term reserve appointments. FAA's peak at GS-11 is a junior level for Air Traffic Controllers. AEC's peak at GS-14 results from the nature of its work, relating to control over contractors.

In the case of clerical positions, for all practical purposes we do not use grades GS-01, 02, or 03. We do, however, employ GS-03 personnel. Our requirement for higher grades for these positions is primarily because of our geographical location and our time-consuming security clearance problem. A typist can take a test and go to work immediately for Agriculture, but must wait three to five months for a CIA security clearance and an assignment physically distant from Washington. Obviously this would deter the most hardy GS-02 applicant. We would probably have more trouble justifying our support grade structure than intelligence production and scientific and operational jobs, primarily because our support jobs are similar to those elsewhere and grade differences are readily apparent.

JOB EVALUATION TASK FORCE PROPOSALS

In accordance with the Interim Progress Report of the Job Evaluation and Pay Review Task Force of the U. S. Civil Service Commission, evaluation systems for five broad categories of positions have been tentatively identified. These are as follows:

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- A. Executive Evaluation System (EES). This includes positions where the basic responsibility is for planning, developing, and directing programs or managing organizational entities.
- B. Administrative, Professional, and Technological Evaluation System (APTES). This includes administrative support positions; professional positions in the physical, engineering, and social sciences; and the paraprofessional or technological positions that support full professional positions.
- C. Clerical, Office Machine Operation, and Technical Evaluation System (COMOT). This includes positions that furnish clerical support, office equipment operation, and technician support subordinate to those in "B" above.
- D. Coordinated Federal Wage System (CFWS). This includes positions of trade, craft, and manual work and certain supervisors of these types of positions.
- E. Special Occupations Evaluation System (SOES). This includes specialized subsystems related to "B" and "C" above which emphasize rank-in-man and rank-in-job elements.

A sixth subordinate system has also been identified:

Attorney Evaluation System (AES). This is a rank-in-job and rank-in-man system tied in with the APTES system for evaluation purposes.

A relatively new plan is now in effect for item "D" above, i.e., the Coordinated Federal Wage System. The Task Force recommends retention of that system.

The above systems are patterned after industrial practices and employ the Factor Comparison Point Evaluation System. This involves breaking jobs into basic factors such as job requirements, responsibility, personal relationships, etc. It also involves comparison with benchmark jobs. Benchmark jobs are positions selected because they adequately represent a given grade and contain necessary factors against which similar positions can be compared. The Job Evaluation Task Force will select basic benchmark positions as a skeleton framework and eventually each agency will add other

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benchmark positions to better aid in the evaluation of various types of positions. These selected benchmarks as contemplated in the proposals are to be approved by the CSC. The CSC will also conduct post-audits to determine how agencies are implementing the systems. Such post-audits may include audits of individual positions as well as audits of the systems themselves. One variation in the pay practices of today is proposed for the COMOT system. Pay rates are to be set up by locality areas rather than on a national scale. This, of course, is also done for the Coordinated Federal Wage System which we now follow.

DISCUSSION

There are no fundamental reasons why the Agency could not follow the evaluation systems. In fact, it seems likely that a more systematic and consistent approach to job evaluation would be achieved. We have currently adopted and are following the Coordinated Federal Wage System. When this system was established the CSC excused us from participation in surveys and excepted us from the audit, inspection, and employee appeal provisions of the system. (Letter from Mr. John Macy, Chairman, USCSC, to Mr. Robert Wattles, Director of Personnel, dated 12 April 1968.) We have received two test evaluations, Executive Evaluation System and the COMOT System. Our test of the Executive Evaluation System indicates no basic problem. The COMOT system could cause a problem since our clerical positions are graded higher than other agencies. Security clearance requirements make it difficult for us to recruit at levels as low as those prevailing elsewhere for jobs such as Key punch Operators, Typists, Stenographers, etc.

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Obviously with these systems, it would be necessary for us to establish our own benchmark positions to maintain general consistency with our present grade structure. If we could do this without approval of the CSC, we would have no basic problem. Commission approval, particularly at our lower levels, would probably be difficult to obtain. The Commission may, however, be receptive to pay differentials to make allowance for the problem of security clearance and location. CSC post-auditing and monitoring of our classification actions would be in conflict in many cases with the Director's need to withhold information on numbers of people and types of endeavor within the Agency.

CONCLUSIONS

The Agency would find it desirable to follow the job evaluation system and pay schedules of the new classification act even if exempted from it, for the same reasons we now follow the Classification Act of 1949. Ideally, it would be advantageous to continue our current posture, being exempted from the new act but using the structure systems and taking advantage of the pay surveys and salary increases. We should therefore request complete exclusion from the act. Since the Task Force timetable calls for submission of the recommended legislation to the President in December 1971, we should submit our formal request for exclusion now.

As a fallback position in the event our request for complete exclusion is denied, the Agency could accept inclusion within the legislation but request exemption from Civil Service Commission approval of benchmark positions and the post-audit and employee appeal provisions. It is significant to note that the Interim Progress Report of the Commission's Task Force contains this statement: "...suggested authority by the Civil Service

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Commission for post-audit and for approval of benchmark positions would be worked out with agencies currently having exemptions for reasons of national security."

RECOMMENDATIONS

1. It is recommended that the Office of Legislative Counsel, the Office of General Counsel and the Office of Personnel coordinate in the preparation of a letter to be sent to the Chairman, Civil Service Commission requesting total exemption and assuring the Commission that we intend to follow the evaluation systems and structure as we have the Classification Act of 1949.

2. Failing total exemption, it is recommended that we then propose to the Commission that the Agency be excluded from Commission approval of benchmark positions, post-audit review by the Commission and employee appeal provisions.

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